

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:275

ANSWERED ON:11.08.2005

FDI IN CIVIL AVIATION SECTOR

Rao Shri Sambasiva Rayapati;Scindia Shri Jyotiraditya Madhavrao

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Planning Commission has recommended that Foreign Direct Investment (FDI) policy in regard to civil aviation sector be reviewed allowing greater access to foreign carriers in domestic Indian skies;

(b) if so, the details thereof; and

(c) the reaction of the Union Government thereto?

Answer

- MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a), (b) and (c):- A Statement is laid on the Table of the House.

STATEMENT TO BE LAID IN RESPECT OF PART (a),(b)and (c) OF THE LOK SABHA STARRED QUESTION NO.275 FOR ANSWER ON 11.8.2005 REGARDING FDI IN CIVIL AVIATION SECTOR.

(a) and (b): The Planning Commission has in Mid-term appraisal of the Tenth Five Year Plan (2002-2007) stated that foreign airlines are still debarred from equity participation in domestic air transport operations. There is a case for reviewing this policy as operation of airlines requires expertise as much as it does capital.

(c):- The Government is at present not in favour of direct or indirect equity participation by Foreign airlines in air transport sector (domestic airlines).